

HAMPTON'S STRATEGIC ISSUES: 2003

HOUSING DISTRIBUTION

July 9, 2003

Agenda

- I. Define Challenge
- II. Identify Potential Tools
- III. Potential Financial Resources
- IV. Summary

Hampton's Housing Distribution

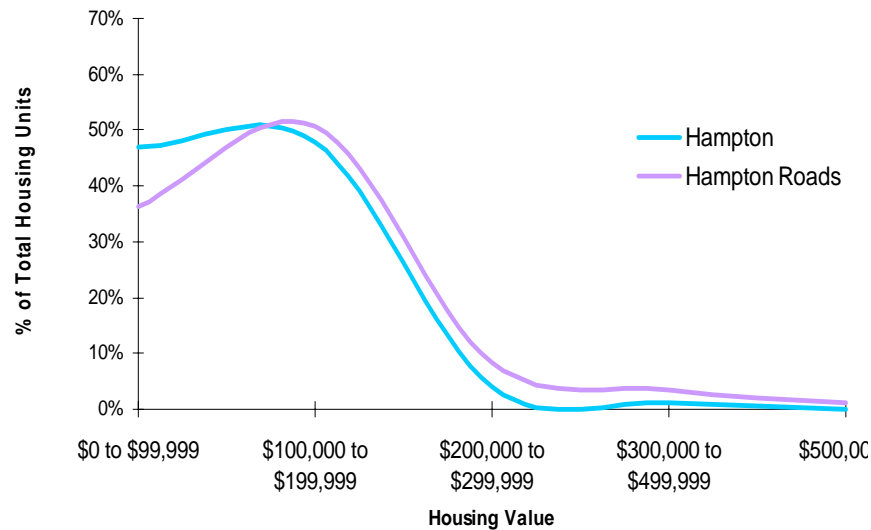
- Through the course of the 2003 Community Plan discussions, it has become evident that fundamental changes have occurred in the make-up of Hampton's housing when compared to the region.

Hampton's Housing Distribution

- What are these fundamental changes?
 - Hampton's housing values are skewed toward the low to moderate end.

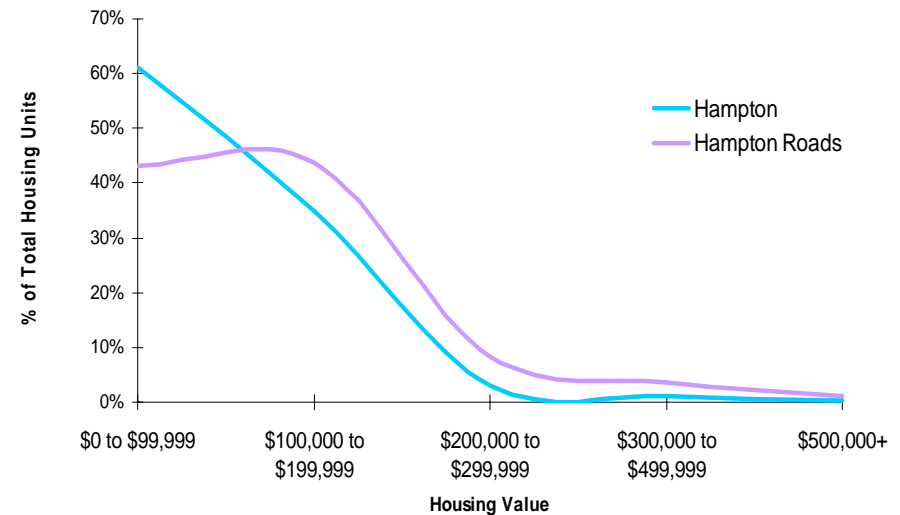
1990 in 2000 dollars

(Justified for Inflation, Source: Hampton Planning Department, S. Morgan Friedman, and U.S. Census Bureau)



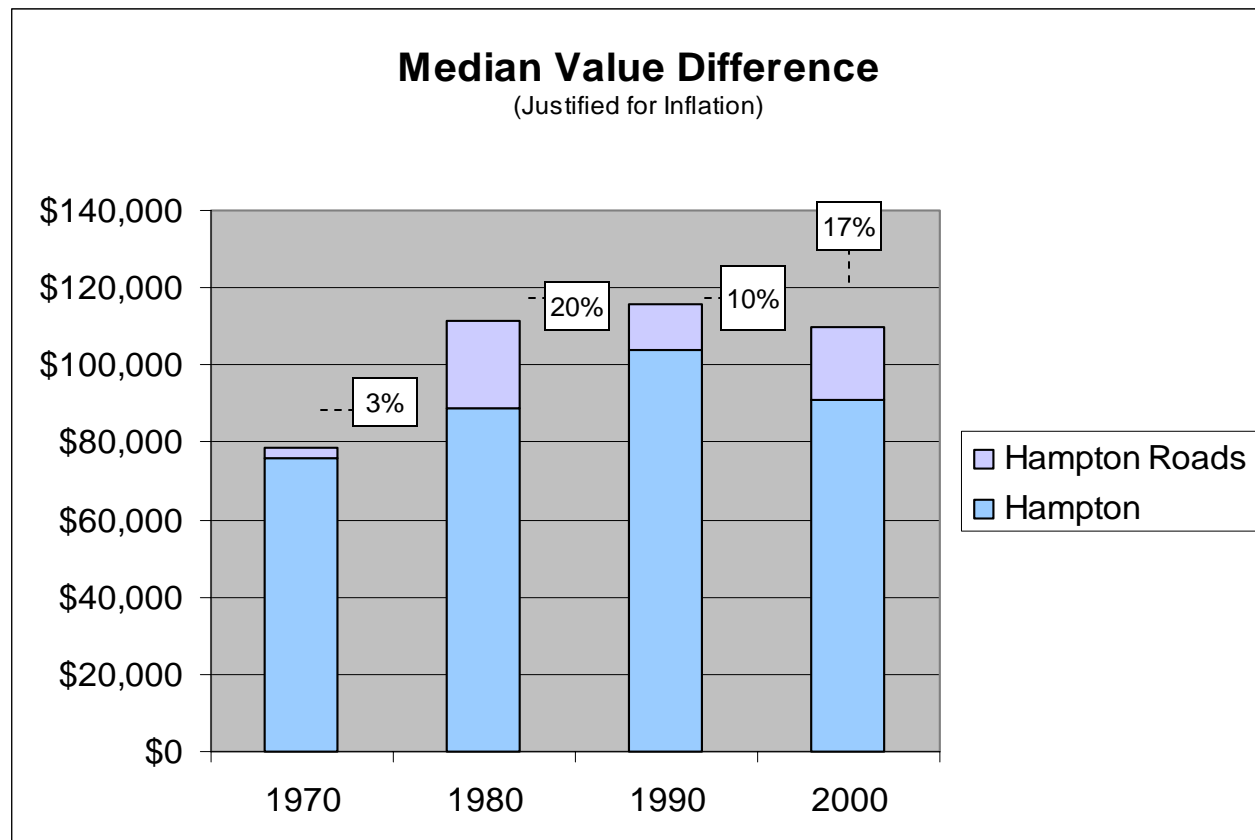
2000 Census Data

(Source: U.S. Census Bureau)

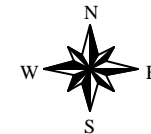


Hampton's Housing Distribution

- What are these fundamental changes?
 - Our median housing value has lost significant ground compared to the region in each of the last three decades.

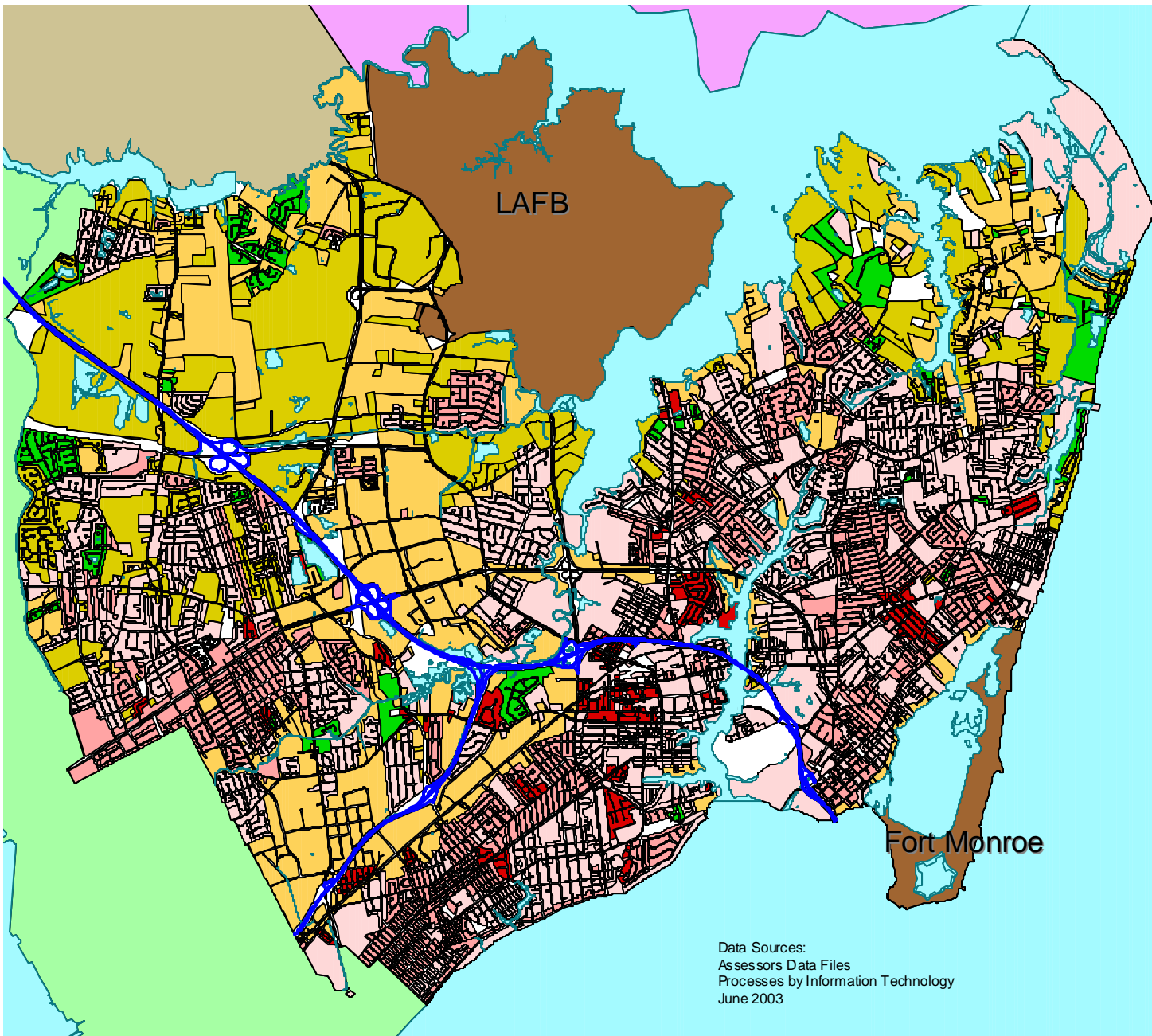


Annual Average % Change in Assessed Property Values 1994-2003



LEGEND

	-3 - 0%
	0 - 1%
	2 - 3%
	4 - 5%
	6 - 15%
	15% +
	No Data Available
	Military Bases



Data Sources:
Assessors Data Files
Processes by Information Technology
June 2003

0.9 0 0.9 1.8 2.7 3.6 Miles



City of Hampton
Planning Department

June 27, 2003

Hampton's Housing Distribution

- What are these fundamental changes?
 - Hampton offers limited housing choices. Our housing stock is overwhelmingly comprised of traditional single-family homes.

Type	Percentage	Value
Single Family Detached	64%	\$91,100 (median)
Single Family, Attached	6%	\$46,394 (average)
Condominium	4%	
Townhouse	2%	
Apartment	27%	
Other	3%	

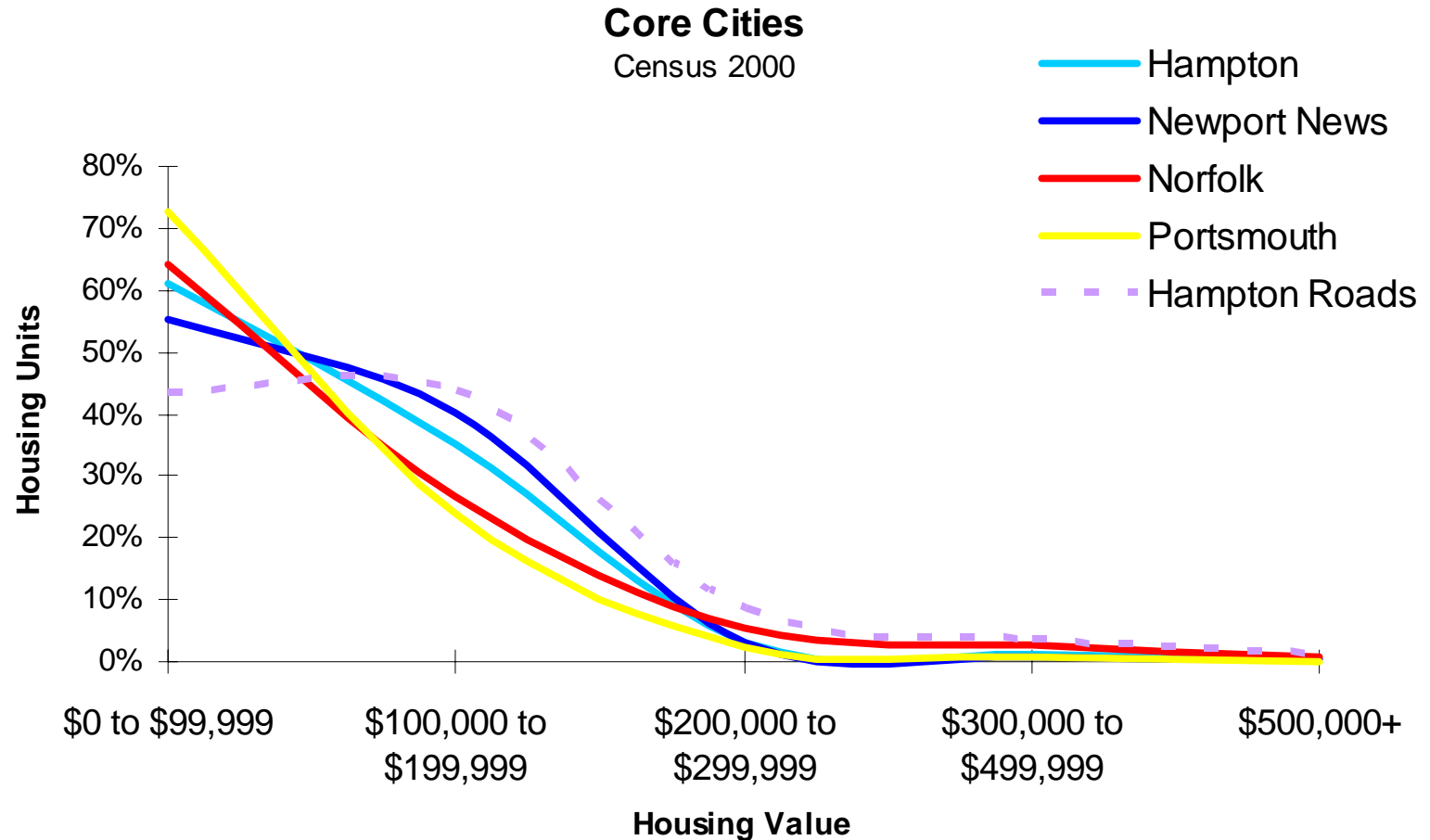
Hampton's Housing Distribution

- Lack of competitive housing choices
 - 52.6% of Hampton's homes were built prior to 1970.
 - Over 60% of Hampton's owner occupied housing is valued at under \$100,000 compared to 43% for the region.
 - Growing diversity in our local and regional population is driving the need for different housing choices (seniors, empty nesters, young professionals without children, etc.)

Hampton's Housing Distribution

- Hampton's housing values drive trends in our median household income.
 - 1970: 101% of the region's MHI.
 - 2000: 93% of the region's MHI.
- The relationship between income & housing impacts many other community priorities such as neighborhoods, at-risk families, schools, and the health of our retail sector.

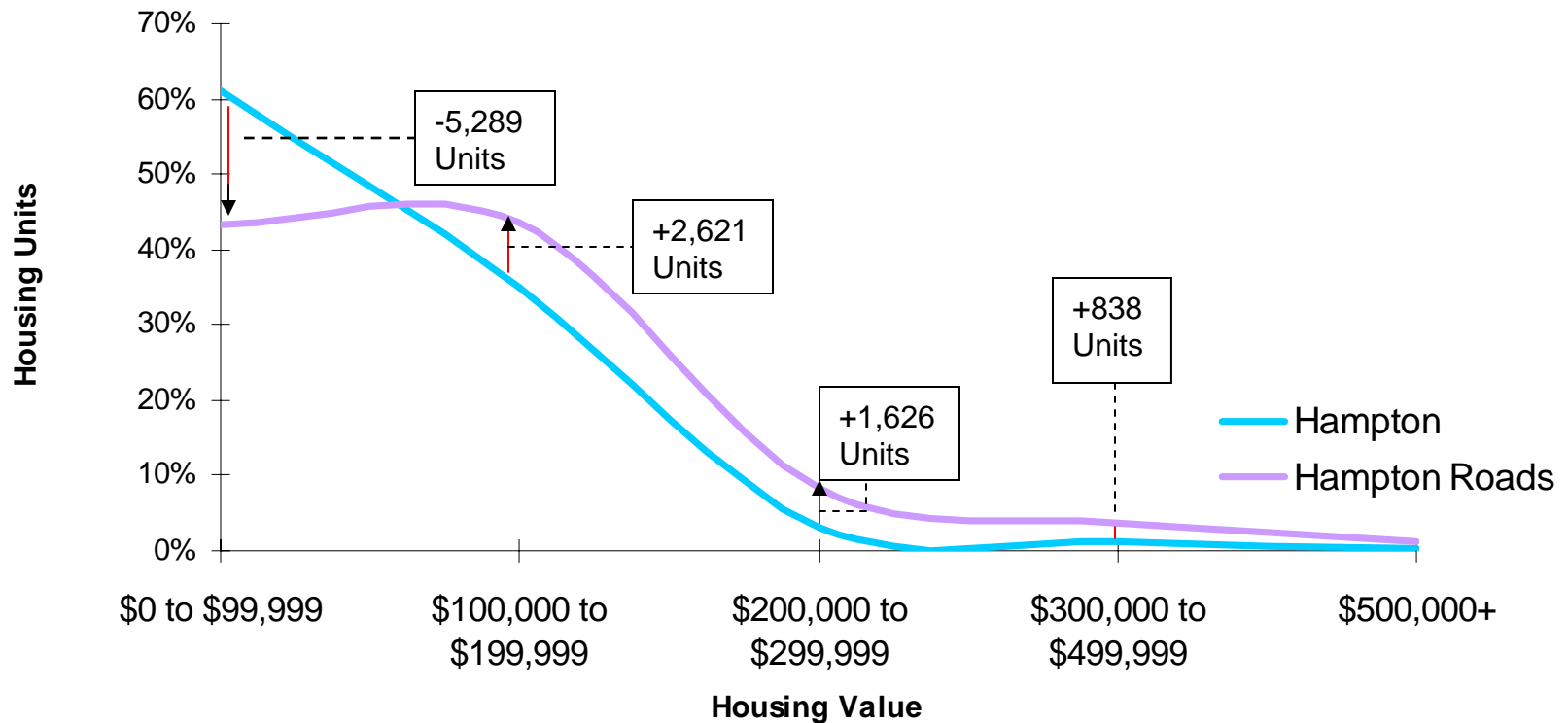
Hampton's Housing Distribution



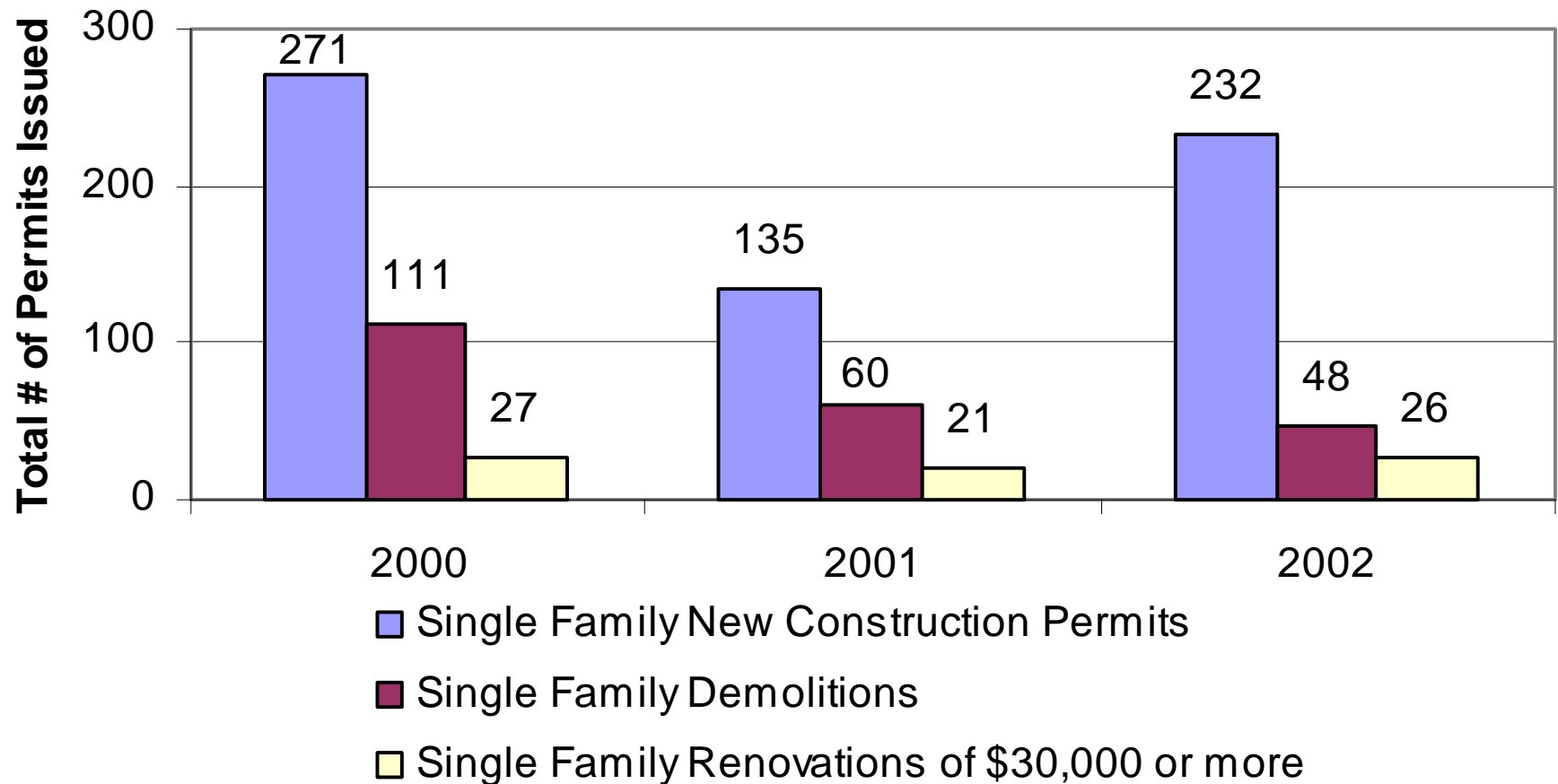
Hampton's Housing Distribution

- Hampton has put forth a great deal of effort and has had many related successes:
 - National acclaimed Neighborhood Initiative
 - Regional leader in attracting high-tech jobs
 - Lowest percentage of our population at or below the poverty rate of any core city in Hampton Roads.
 - Hampton is less “fiscally stressed” than any other core city in Hampton Roads.
 - High citizen satisfaction rates.
- Even with these successes, we are simply “staying in the ballgame.”

Hampton's Housing Distribution (2000)

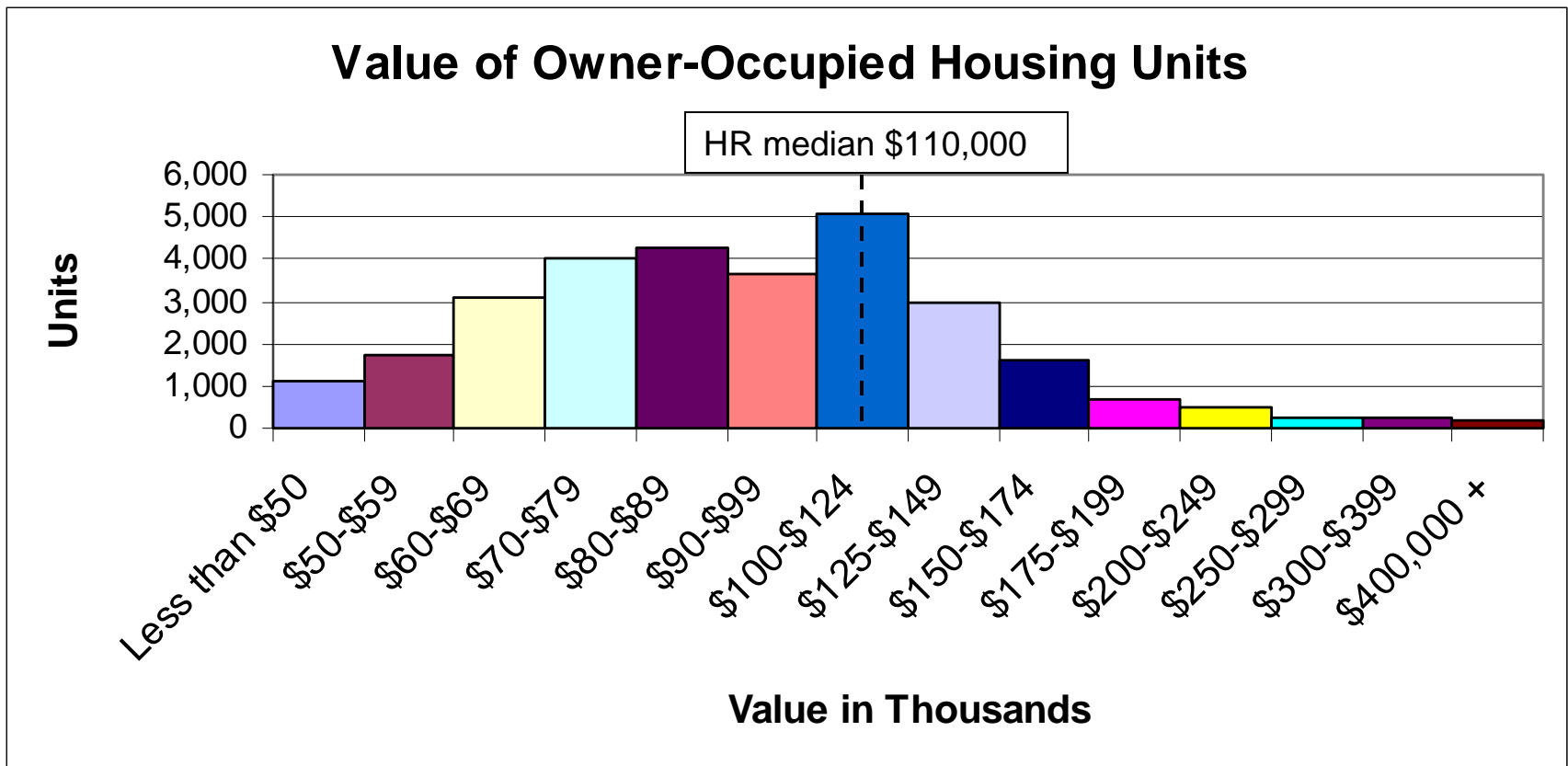


SF Permits: New Construction, Demolitions & Renovations

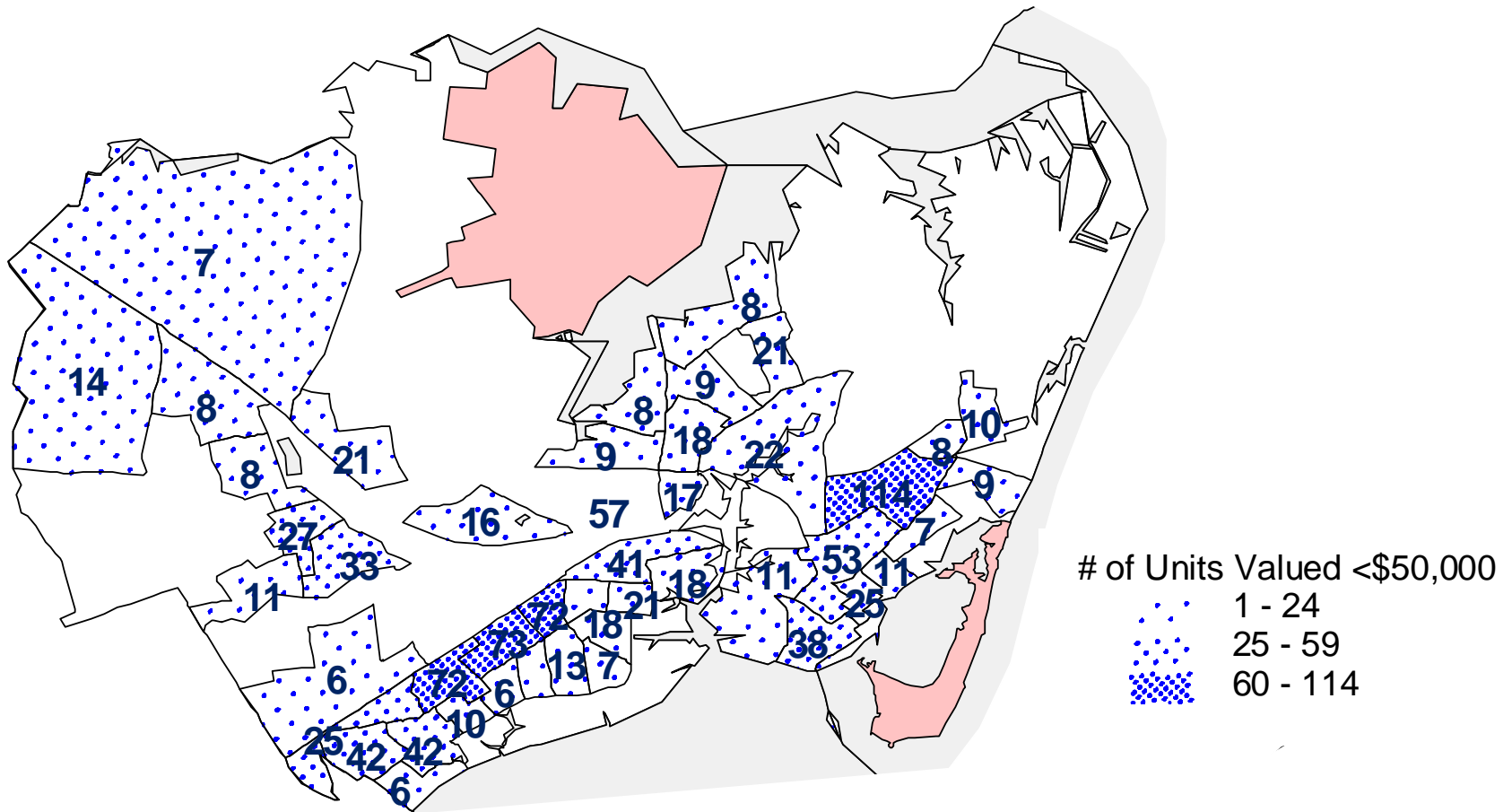


Hampton's Housing Distribution

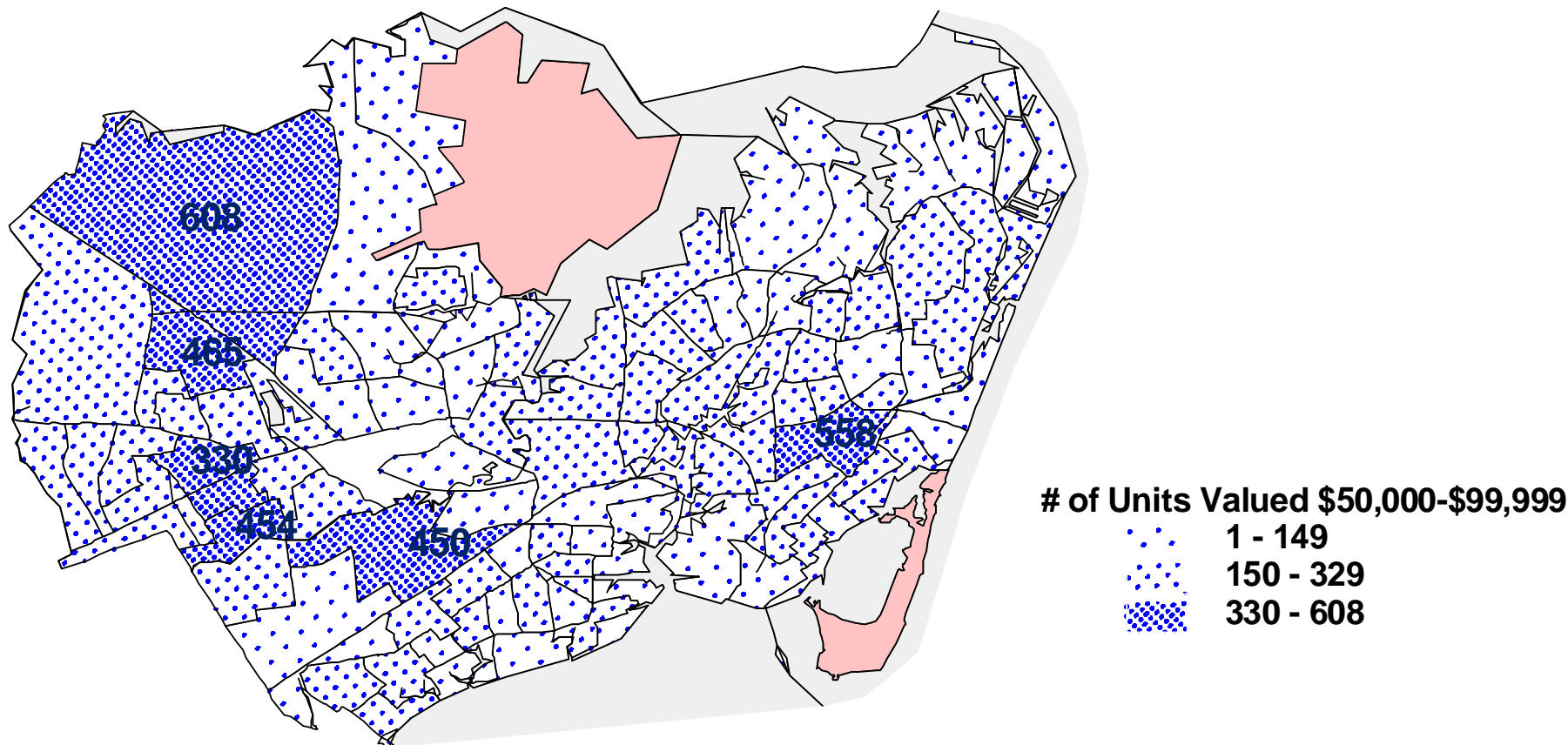
- Strategies may differ at each value range



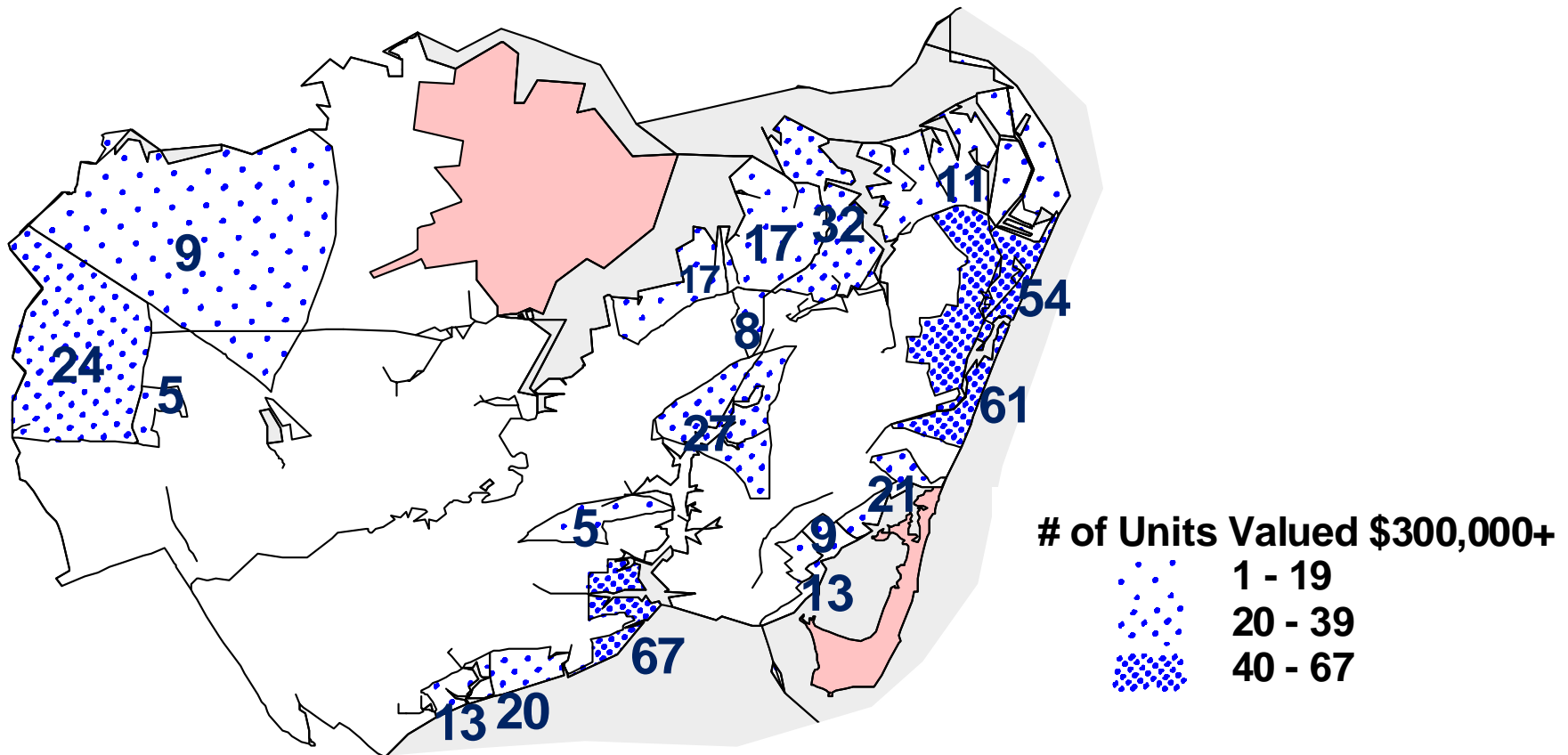
Owner Occupied Units Valued <\$50,000 - 1101 (3.7%)



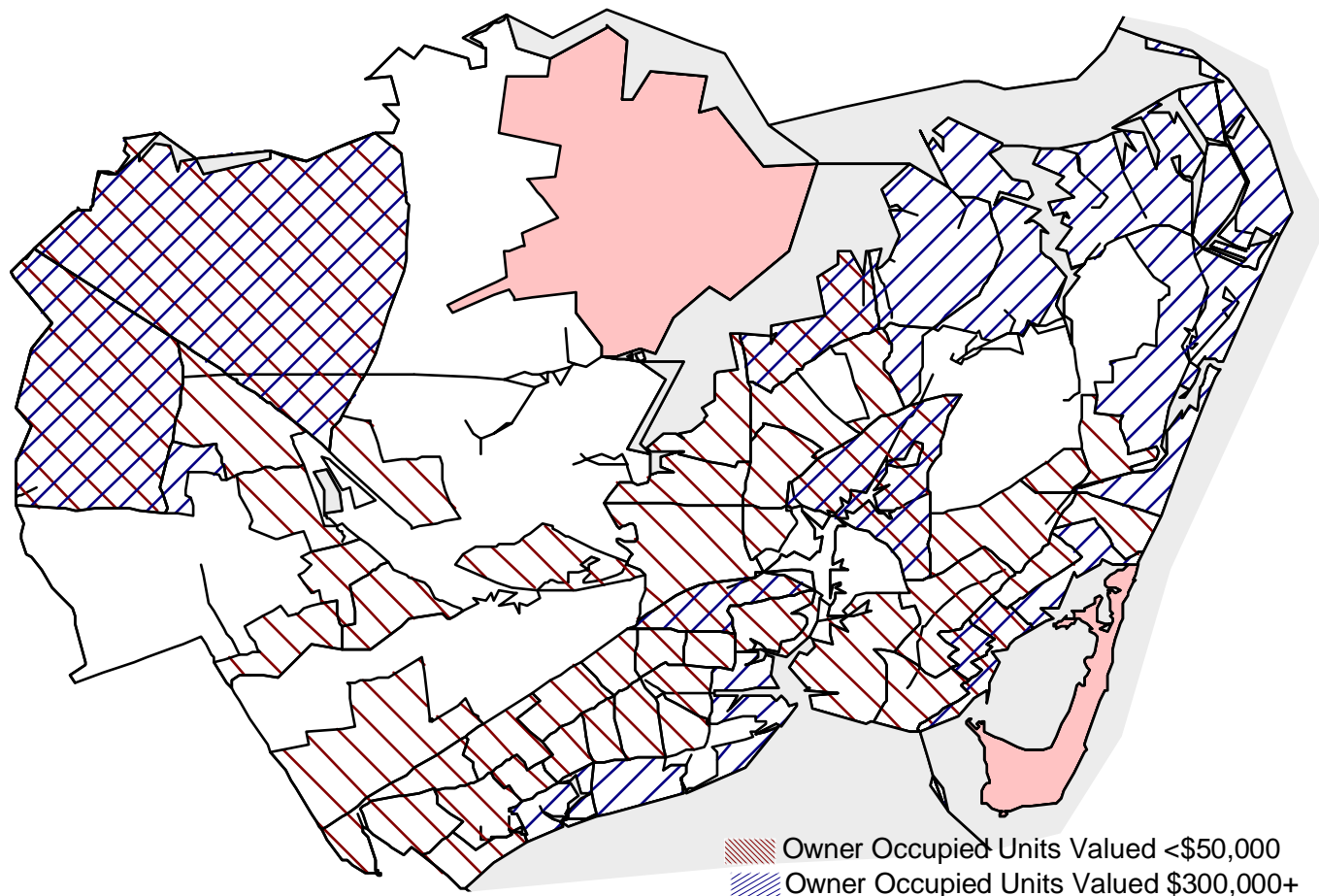
Owner Occupied Units Valued \$50,000 to \$99,999 – 16,769 (56.8%)



Owner Occupied Units Valued \$300,000 or more - 413 (1.4%)



Overlap of Previous Slides



*Hatched area indicate both <\$50,000 and \$300,000+ Value Homes in same Block Group

Hampton's Housing Distribution

Strategy for public investment and intervention

- ✓ Create confidence in the private sector for investing in Hampton
- ✓ “Prime the pump” by investing in projects that are key points of intervention
- ✓ Fill gaps (information, money, incentives)

Hampton's Housing Distribution

Tools to Define what needs to be done and describe the possibilities

- ✓ Community Plan sets vision and defines areas that are most strategic for investment
- ✓ Urban design plans for each defined area illustrate how things can look and what is economically marketable and sustainable
- ✓ Marketing creates a new perception

Hampton's Housing Distribution

Tools to make it happen

Regulatory:

- ✓ Redevelopment and Conservation Plans give HRHA the authority to condemn for plan conformance
- ✓ Design standards (voluntary, mandatory, tied to \$) cause new investment to conform with the plans
- ✓ Zoning ordinance changes force new investment to conform with the plans

Hampton's Housing Distribution

Tools to make it happen

Financial:

- ✓ Public land acquisition/demolition increases control over new development and may increase financial feasibility
- ✓ Rehab. & improvement loans, tax incentives etc. can encourage private investment that conforms with plans

Hampton's Housing Distribution

Tools to make it happen

Quality of Life:

- ✓ Schools
- ✓ Community amenities
- ✓ Beautification etc.

Marketing:

- ✓ Market studies
- ✓ Media campaigns
- ✓ Recruitment

Hampton's Housing Distribution

The bottom line

- Issue is complex
- Tools need to be both deep and broad
- Success depends on substantial private sector involvement and confidence
- Public decisions, plans, investments, regulations, etc. need to support and attract private investment

Hampton's Housing Distribution

Financial Resources

- Pay as you go – must have an identifiable renewable source
- Debt Funded (Bond Proceeds)
- Special Taxing Districts (CDA's)
- Special Tax Incentive to Encourage Private Investment
- Private/Public Partnership
- Combinations of All or Any of the Above

Hampton's Housing Distribution

Total Housing Value	
Census 2000, Aggregate Value of Owner-Occupied Single Family Homes	\$3,172,145,000
Shift to HR Housing Distribution	\$4,196,245,000
Increase over Census 2000	\$1,024,100,000

- Additional Annual Real Estate Tax Revenue of \$13,006,070

Conclusions Coming Out of the Community Plan

- The make-up of our housing stock influences many of our strategic issues.
- We should strive for a distribution of housing values equal to the regional average.
- We need to expand our housing choices.

Conclusions

- Significant changes have occurred since 1990. Our current housing distribution is a negative influence on many community priorities.
- The order of magnitude involved in restructuring our housing distribution will require a significantly larger allocation of public resources on multiple fronts.

Next Steps

- Work through the Community Plan to identify priority strategies (Early 2004).
- Identify strategic areas – Community Plan/UDA.
- Develop and implement effective tools to implement these strategies (Mid 2004).
- Engage other partners in this effort (the private sector, schools, neighborhoods, etc)
- Identify resources appropriate to the scale of the challenge.